COUNTY OF ALAMEDA

Questions & Answers

to

RFP No. 901679

### for

Alameda County Deferred Compensation and Deferred Contribution Plan

**Networking/Bidders Conferences Held on July 11, 2019**

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| **This County of Alameda, General Services Agency (GSA), RFP Questions & Answers (Q&A) has been electronically issued to potential bidders via e-mail. E-mail addresses used are those in the County’s Small Local Emerging Business (SLEB) Vendor Database or from other sources. If you have registered or are certified as a SLEB, please ensure that the complete and accurate e-mail address is noted and kept updated in the SLEB Vendor Database. This RFQ Q&A will also be posted on the GSA Contracting Opportunities website located at** [**http://acgov.org/gsa\_app/gsa/purchasing/bid\_content/contractopportunities.jsp**](http://acgov.org/gsa_app/gsa/purchasing/bid_content/contractopportunities.jsp) |

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1. The RFP outlines the number of plan participants and total plan assets. Please confirm that the RFP only applies to employees of Alameda County? Or, are employees of First 5 Alameda County, the Alameda County Fire Department and the Alameda County Superior Court also a part of this RFP and the participant and asset counts provided?
   1. **First 5 and the Superior Court are included, as is the Fire Department’s 457 plan. The Fire Department 401(a) is not part of these plans or the RFP.**
2. Please confirm the total plan assets. Are they $697.7mm or $731mm?
   1. **See Exhibit E for the 2019 Second Quarter Plan Data chart.**

1. Please also confirm the total number of accounts. Are there 7,252 or 7,583 total accounts?
   1. **See Exhibit E for the 2019 Second Quarter Plan Data chart.**
2. It is noted that the Prudential Stable Value Fund is used as the Plan’s stable value investment option. Please provide the following information regarding this fund:

Q.4.1 What is the expense ratio for the Prudential Stable Value Fund?

**A.4.1 0.35% (35 bps) for wrap and management fee.**

Q.4.2 What is the current crediting rate of the Prudential Stable Value Fund?

**A.4.2 2.42% as of 7/1/19.**

Q.4.3 What are the liquidity provisions related to assets held in the Prudential Stable Value Fund?

**A.4.3 The contract is liquid and may have an MVA. The current market to book value is 99.9%. The County has yet to determine whether it will retain the stable value fund under a new vendor; that will be determined in the future based on the RFP responses/results.**

1. Will the County accept a proposal, which utilizes a fixed general account product as the plan’s stability of principal investment option?
   1. **While we currently utilize a stable value fund and a stable value fund is preferred, we are willing to accept proposals utilizing a general account product.**
2. The RFP notes that an “in-house administrative team provides forms processing and some participant services (e.g., administration of plan distributions, emergency withdrawal applications, 3-year catch-up calculations, Qualified Domestic Relation Orders [QDROs], and purchase of service credits)”, with the County’s current vendor providing administrative/recordkeeping support. To what extent does the County intend to retain the processing of these services? Is the County open to outsourcing these services to their record-keeper in the future? Today the County is involved in many transactions listed above.
   1. **The County would like all proposers to assume that the proposer will be providing the services listed in your question above. The County is in the process of outsourcing many of those processes, and will continue to do so where appropriate.**
3. The statistics note that the data provided is as of 12/31/17. Is this correct? If so, is the same data available as of 12/31/18?
   1. **See Exhibit E for the 2018 Fourth Quarter Data chart.**
4. Statistics related to the number of calls received by the County’s current vendors call center for calendar year 2018.
   1. **2018 call center stats:**

**- 457 plan – 4,092 total calls; 2,541 unique calls**

**- 401(a) plan – 45 total calls; 34 unique calls**

1. Please provide the total amount and number of loans in the 457(b) plan.
   1. **As of 6/30/19, there were 1,694 loans with approximately $14.1M outstanding in the 457 plan. As of 6/30/19, there were 5 loans with $29,547 outstanding in the 401(a) plan.**
2. Do the County’s plans utilize e-delivery of quarterly statements? If so, what percentage of participants are receiving statements vie e-delivery for each plan?
   1. **You should assume paper copy delivery of statements, with participants having the option to opt for electronic statements.** **Today participants receive paper statements unless they opt for electronic statements. As of 6/30/19, 4,535 participants in the 457 plan and 59 participants in the 401(a) plan have opted for electronic statements.**
3. Please provide the total number of county locations, a list of the locations and the number of employees per location.
   1. **The County has approximately 138 locations, with employee counts ranging from approximately 25 employees to 700 employees. Our three primary/largest facilities are the CAO Building with 700 employees, South County Self Sufficiency Center with 650 employees, and Juvenile Justice Center with 450 employees.**
4. Is demographic data is being provided to your current record keeper? If so, what data is currently provided?
   1. **Yes,** **Prudential provides various detailed demographic studies based on parameters outlined by the County.**
5. Does the County currently offer managed accounts to plan participants? If so, please provide the total number of participants utilizing this service? Please also provide the total assets within managed accounts.
   1. **No. We offer Prudential’s GoalMaker model portfolio program.**
6. Does the County currently offer a Self-Directed Brokerage Account option to participants? If so, what percentage of accounts utilize this option?
   1. **No the County does not offer a Self-Directed Brokerage Account option.**
7. The RFP notes in the Participant Services Requirements that bidders “must provide customized and branded web- and mobile-based educational and guidance materials, tools, and calculators.” Please outline what customized tools and calculators are currently in use by the County and its record-keeper.
   1. **Please describe your customization and branding capabilities, and the County will determine if they are sufficient. Today participants have a robust web- and mobile-based platform with extensive tools and services. These are both branded for the County’s plans.**
8. Please provide the current transaction fees applicable to the plans.
   1. **Please base your pricing on what best fits the requirements of this RFP and not what the current vendor is charging for similar services.**
9. Please provide the total number and frequency of payrolls.
   1. **Bi-weekly (26 pay periods, sent 26 times processing 52 files).**
10. The RFP notes in the Participant Services Requirements that bidders “must provide defined contribution and retirement-related newsletters and articles for plan participants, including retiree-focused communications.” Please outline what and how newsletters are currently in use by the County and its record-keeper.
    1. **Both the County and participants receive retiree-focused newsletters and education tools**. **Prudential has provided topical articles for distribution to participants. It is anticipated that the successful bidder will have that same ability. We encourage you to describe your services, and we will determine if they are sufficient to meet our plan needs.**
11. Item 6(f) of the RFP on page 12 references data sharing across “frozen vendors” to ensure plan compliance. Please clarify if there are in fact frozen vendors within each of the County’s plans. If there are frozen vendors, please indicate the names of the firms, the plans in which they serve as record-keepers and the total assets held by each firm.
    1. **The County has decided not to freeze the existing vendor, and no such data sharing will be required. There are no frozen vendors.**
12. Given the request for 80 hour per week of onsite employee service, please outline the following: What percentage of the current onsite services are provided by Prudential’s representative and the two representatives from Wells Fargo and Emerge Financial?
    1. **Today we receive service from all three parties, with 80% of it coming from Wells Fargo and Emerge Financial.** **Onsite services are performed throughout the County’s facilities. We encourage you to propose a service model based on what you feel would be best for our plan under your offering. We do anticipate 80 hours per week of service from the representatives you provide, and you should price accordingly.**
13. How are these services coordinated today? By the County or by Prudential?
    1. **Today Prudential and the representatives coordinate their services with the County administration. It is important that the successful bidder is able to fully provide these services with the County providing minimal assistance.**
14. The RFP requests that bid responses include an implementation plan and schedule. While there is an indication of a projected contract start date of November 1, 2019, the RFP does not provide a projected go-live date or a contract end date for the County’s current vendor. For purposes of our implementation plan and schedule, what go-live date should be utilized**?** 
    1. **The current Prudential contract expires 12/31/19. It is desired to implement the new contract(s) prior to that date. Once the final vendor determination is made, the schedule may require adjustment to ensure the assets are properly transitioned to the new contract(s).**

1. Within the RFPs questionnaire, questions related to our call center are raised. Specifically, the question 4b(vii) asks about the provision of call center services to non-English speaking callers. Please specify the languages most used by County employees.
   1. **The County’s employee base speaks multiple languages, with a predominance of English, Spanish, Tagalog, Mandarin, and/or Cantonese.**
2. Why is the County conducting this search at this time?
   1. **The current contract is expiring as of 12/31/19.**
3. Is Prudential welcome to rebid on the services?
   1. **Yes, Prudential is able to bid on the services.**
4. Please provide a complete breakdown of assets by fund including ticker symbols for each provider.
   1. **See Funds Assets charts in Exhibit G, uploaded as a separate file. This may or may not be the final lineup for the plan at transition time. Proposer must provide open architecture surrounding the plan’s fund lineup.**
5. Please provide the total contributions to the plan in 2016 & 2018.
   1. **See Exhibit E for the Annual Contribution & Distribution Data Chart.**
6. Please provide the total distributions from the plan in 2016, 2017, & 2018.
   1. **See Exhibit E for the Annual Contribution & Distribution Data Chart.**
7. Please indicate the current process for submitting loan payments. Is it done through a payroll file or directly with a participant bank account (ACH)?
   1. **For active participants, via payroll deduction. For termed participants, via check. For termed for loan payoffs, via check or ACH.**
8. Please provide information on the fixed fund in the plan today with Prudential. What is the current crediting rate? What is the expense ratio? Are there any termination provisions or liquidity restrictions (i.e. MVA, 12 month put, etc.)?
   1. **See response to Question #4.**
9. Please provide the current service days provided. How many group meetings and how many individual meetings were held in 2018? How many days per year would the County prefer going forward?
   1. **Representatives are expected to be available for 80 hours per week. We welcome your thoughts surrounding what you deem suitable for a plan such as ours.**
10. Please provide the current service agreement with Prudential.
    1. **Pricing should be based on what best fits the requirements of this RFP and not what the current vendor is charging for similar services.**
11. What is the current fee for the plan today with Prudential?
    1. **Pricing should be based on what best fits the requirements of this RFP and not what the current vendor is charging for similar services.**
12. Please indicate if any of the revenue produced by the fund line-up is kept by the record-keeper or returned to the plan and or the participants.
    1. **All revenue produced is used to offset plan expenses or returned to the participants. It is not kept by the record-keeper.**
13. Please provide a list of any ancillary fees that are currently being charged to the plan and or its participants, i.e., QDRO’s, financial advice, etc.
    1. **Vendors are encouraged to propose the best fee structure you can.**
14. Does the plan prefer a revenue requirement (implicit fee paid through revenue share of the plan) or an explicit per participant fee (asset based or per head) fee structure?
    1. **We are looking for a fixed asset-based fee or per-head fee (a required revenue number). The plan has and will continue to have full fee transparency, and fees will be assessed evenly amongst all plan assets.**
15. Does the plan currently have managed account programs with Prudential? If so, please provide the total assets in those programs today.
    1. **No, the plan does not have managed account programs.**
16. Does the plan currently utilize a self-directed brokerage option? If so, please provide the company being used as well as the total assets in the program today.
    1. **No, the County does not currently utilizes a self-directed brokerage option.**
17. Does the Committee have available information on the composition of the active participants in terms of grouping by age and assets? How many active plan participants are retiring in the next 10 years and what does this group represent in terms of total plan assets?
    1. **No, the Committee does not have this information. There is no way to determine how many participants will retire in the next 10 years.**
18. Does the plan have centralized payroll? How many payroll files are processed monthly to Prudential?
    1. **Yes,** **payroll is centralized. The 457 plan is combined with the 401(a) plan; each month 2 payroll files are processed**
19. Please provide a sample of the current contribution file feed that the plan uses today. Please provide data definitions as well as field level definitions for the file.
    1. **The County will determine the file feed information for the contract with the successful bidder.**
20. Please provide the current plan documents.
    1. **See Exhibit H Amended Plan Document July 2014. (457b plan)**
21. The RFP Scope of Work states that the County has an in-house administrative team that provides some processing and participant services. Are you able to provide additional detail as to how this team interacts with the provider on a daily basis or any technological requirements?
    1. **The County would like all proposers to assume that the proposer will be providing all processing and participant services. The County is in the process of outsourcing many processes, and will continue to do so where appropriate. We do not anticipate any technology requirements needed to provide the processing and participant services.**
22. Are the 401(a) account holders unique or will many also have a 457(b) account? Please provide unique participant account if possible.
    1. **All 401(a) holders are eligible for the 457 plan and may have accounts in both plans.**

1. Is the County willing to utilize the new vendors IRC compliant 457(b) and 401(a) plan documents and amendments**?**
   1. **Today we utilize custom plan documents. Based on the proposals, we would be interested in the types of plan document services you are able to provide or budget for plan documents. We will also consider utilizing the new vendor’s documents, but cannot guarantee we will utilize them.**
2. Are the Prudential stable value assets available for immediate transfer at 100% value? If not, please describe any MVA amount, book value shortage; put provision or installment payout that may apply.
   1. **Please see response to Question #4.**

Exhibit c

**VENDOR BID LIST**

RFP No. 901679 – Alameda County Deferred Compensation / Deferred Contribution Plan

Below is the Vendor Bid List for this project consisting of vendors who have been issued a copy of this RFP. This Vendor Bid List is being provided for informational purposes to assist bidders in making contact with other businesses as needed to develop local small and emerging business subcontracting relationships to meet the requirements of the Small Local Emerging Business (SLEB) Program: <http://www.acgov.org/gsa/departments/purchasing/policy/slebpref.htm>.

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| [**RFP No. 901679 ALAMEDA COUNTY DEFERRED COMPENSATION & DEFERRED CONTRIBUTION**](mailto:jbenson@ain1.com) | | | | | | |
| **Business Name** | **Name** | **Phone** | **Address** | **City** | **ST.** | **Email** |
| Prudential Retirement | Julie Klassen | 949-794-6046 | 333 Michelson, Ste 820A | Irvine | CA | [julie.klassen@prudential.com](mailto:julie.klassen@prudential.com) |
| Voya Financial | M. Bishop Bastien | 916-774-7595 | 3017 Douglas Blvd, ste 300 | Roseville | CA | [bishop.bastien@voya.com](mailto:bishop.bastien@voya.com) |
| Karp Capuital Management | Peter Karp | 415-345-8185 | 2269 Chestnut st, #308 | SF | CA | [peter@karpcapital.com](mailto:peter@karpcapital.com) |
| ICMA | Suzanne Chawk | 866-265-5125 | 1660 Wild Rye Ct | Castle Rock | CO | [Schawk@icmarc.org](mailto:Schawk@icmarc.org) |
| Empower | Eric Leavit | 303-737-0079 | 8515 E Orchard Road 10T2 | Greenwood Village | CO | [eric.leavitt@empower-retirement.com](mailto:eric.leavitt@empower-retirement.com) |
| Mass Mutual | Ketul Thaker | 860-748-6657 |  |  |  | [kthaker@massmutual.com](mailto:kthaker@massmutual.com) |
| TIAA | Rick Donley | 216-647-5561 | 485 Metro Place South Suite 450 | Dublin, OH |  | [rdonley@tiaa.org](mailto:rdonley@tiaa.org) |
| Lincoln Financial | Greg Holgate | 484-885-7882 | 150 N. Radnor-Chester Road | Randor | PA | [Gregg.holgate@lfg.com](mailto:Gregg.holgate@lfg.com) |
| VALIC | Bill Abramowicz | 630-235-8786 |  |  |  | [William.abramowicz@aig.com](mailto:William.abramowicz@aig.com) |
| TIAA | Peter Tempesta | 216-647-5561 | 485 Metro Place South Suite 450 | Dublin, OH |  | [PTempesta@tiaa.org](mailto:PTempesta@tiaa.org) |
| Lincoln Financial Group | Sam McGibbon | 3032296720 | 130 Radnor Chester Rd | Radnor | PA | [Samuel.mcgibbon@lfg.com](mailto:Samuel.mcgibbon@lfg.com) |
| Voya Financial | Bishop Bastien | 916-764-1171 | 3017 Douglas Blvd., Ste. 300 | Roseville | CA | [bishop.bastien@voya.com](mailto:bishop.bastien@voya.com) |
| Prudential Retirement | Javier Obando | 415-385-8969 | 120 Glendora Ave | Long Beach | CA | [Javier.Obando@Prudential.com](mailto:Javier.Obando@Prudential.com) |
| ICMA-RC | Laura Heese | 202-615-6937 | 777 North Capitol Street, NE | DC |  | [lheese@icmarc.org](mailto:lheese@icmarc.org) |
| Nationwide | Joel Justice | 6144352302 | 10 West Nationwide Blvd | Columbus | Ohio | [justicj1@nationwide.com](mailto:justicj1@nationwide.com) |
| ICMA-RC | Shawn Bleimehl | 2024154178 | 777 N Capitol St NE | Washington |  | [sbleimehl@icmarc.org](mailto:sbleimehl@icmarc.org) |
| Empower Retirement | Eric Leavitt | 3039021364 | 8515 E. Orchard Road, 10T2 | Greenwood Village | Co | [eric.leavitt@empower-retirement.com](mailto:eric.leavitt@empower-retirement.com) |
| ICMA-RC | Deborah Brown | 202-962-6976 | 777 North Capital Street NE Suite 600 | Washington | DC | [dbrown@icmarc.org](mailto:dbrown@icmarc.org) |
| ICMA-RC | Jack Mingus | 804-714-9019 | 777 North Capitol St., NE | Washington | DC | [jmingus@icmarc.org](mailto:jmingus@icmarc.org) |
| ICMA-RC | Todd Lewis | 804-418-4021 | 951 East Byrd Street | Richmond | VA | [tlewis@icmarc.org](mailto:tlewis@icmarc.org) |

Exhibit E

**2019 Second Quarter Plan Data Chart**

**2018Fourth Quarter Plan Data Chart**

|  |  |  |
| --- | --- | --- |
|  | **457(b) Plan** | **401(a) Plan** |
| **Eligible** | 8,296 | 170 |
| **Total Participants with a Balance** | 7,611 | 146 |
| **Actively Contributing** | 5,047 | 12 |
| **YTD Contributions 6/30/19** | $20,758,361 | $137,768 |
| **Total Plan Assets** | $751,887,421 | $13,814,100 |
| **Stable Value Assets** | $257,876,353 | $6,320,304 |

|  |  |  |
| --- | --- | --- |
|  | **457(b) Plan** | **401(a) Plan** |
| **Eligible** | 8,296 | 170 |
| **Total Participants with a Balance** | 7,439 | 147 |
| **Actively Contributing** | 4,955 | 11 |
| **Annual Contributions** | $41,877,618 | $705,646 |
| **Total Plan Assets** | $670,648,419 | $12,485,263 |
| **Stable Value Assets** | $247,674,975 | $6,086,417 |

**Annual Contribution & Distribution Data:**

|  |  |  |  |
| --- | --- | --- | --- |
| **457(b)** | **2016** | **2017** | **2018** |
| **Annual Contributions** | $35,126,010 | $38,012,444 | $41,877,618 |
| **Annual Distributions** | $22,431,237 | $24,444,759 | $32,802,936 |

|  |  |  |  |
| --- | --- | --- | --- |
| **401(a)** | **2016** | **2017** | **2018** |
| **Annual Contributions** | $520,880 | $577,891 | $705,646 |
| **Annual Distributions** | $265,823 | $392,347 | $379,825 |